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IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF OREGON

In re

Love Bites By Carnie, Inc.,

Debtor-in-Possession.

Love Bites By Carnie, Inc.,

Plaintiff,

vs.

EBF Partners, LLC dba Everest Business
Funding, a Delaware limited liability company; The
Chefs' Warehouse West Coast, LLC dba Chefs'
Warehouse, a Delaware limited liability company;
Mintaka Financial, LLC, a Washington limited
liability company; Integrity Staffing, Inc., an
Oregon corporation; and Summit Staffing
Solutions, Inc., an Oregon Corporation,

Defendants.

Case No.: 21-32073-dwh11

Adv. Pro. No. _____

COMPLAINT
(Injunctive Relief)

INTRODUCTION

Plaintiff Love Bites by Carnie, Inc., is the Debtor and Debtor-in-Possession in the
above-captioned case (hereinafter "Debtor" or "Plaintiff"). Debtor, by this Complaint, seeks

injunctive relief prohibiting creditors EBF Partners LLC dba Everest Business Funding (“EBF”), The Chefs’ Warehouse West Coast, LLC dba Chefs’ Warehouse (“Chefs’ Warehouse”), Mintaka Financial, LLC (“Mintaka”), Integrity Staffing, Inc. (“Integrity”), and Summit Staffing Solutions, Inc. (“Summit”) (collectively referred to as the “Defendants”), from engaging in litigation or collection efforts against Affiliates Carnie Wilson and Tiffany Miller (collectively “Affiliates”) (as defined below) in state court, or in any other forum, or taking any action whatsoever to obtain possession or control over the assets of Affiliates without an order of this Court.

Debtor alleges:

PARTIES

1. Love Bites by Carnie, Inc. is the Debtor and Debtor-in-Possession in this chapter 11 bankruptcy.

2. EBF is a limited liability company duly organized and existing under the laws of the state of Delaware. EBF provides various types of financing, including asset-based loans, to its borrowers and clients. EBF filed a Complaint and obtained a judgment against Debtor and Affiliates in the case of *EBF Partners, LLC dba Everest Business Funding v. Love Bites by Carnie, Inc., Tiffany Ann Miller, and Carnie Wilson*, filed in the Supreme Court, of State of New York, County of Ontario, Case No. 202103100276.

3. Chefs’ Warehouse is a foreign limited liability authorized to transact business in the state of Oregon. Chefs’ Warehouse operates as a specialty food distributor. Chefs’ Warehouse has filed pending litigation against Debtor and Affiliate Tiffany Miller in the case of *The Chefs’ Warehouse West Coast, LLC v. Love Bites by Carnie, Inc. and Tiffany Marie*

Miller, filed in the Circuit Court of the state of Oregon for Washington County, Case No. 20CV16187.

4. Mintaka, is a limited liability company duly organized and existing under the laws of the state of Washington. Mintaka is the successor in interest to BSB Leasing, Inc.'s interest in an equipment finance agreement between BSB Leasing, Inc., Debtor, and Affiliates. Mintaka filed a complaint and a judgment was entered against Debtor and Affiliates in the case of *Mintaka Financial, LLC v. Love Bites by Carnie, Inc., Carnie Wilson, and Tiffany Miller*, filed in the Circuit Court of the state of Oregon for Washington County, Case No. 20CV29543.

5. Integrity, is a corporation duly organized and existing under the laws of the state of Oregon with its principal place of business in Washington County, Oregon. Integrity provides temporary labor or employees to its clients. A settlement agreement was entered into between Affiliate Tiffany Miller and Integrity Staffing. Thereafter a judgment of dismissal with prejudice was entered in the case of *Integrity Staffing, Inc. v. Tiffany Miller*, filed in the Circuit Court of the state of Oregon for Clackamas County, Case No. 20CV18884.

6. Summit is a corporation duly organized and existing under the laws of the state of Oregon with its principal place of business in Yamhill County, Oregon. A lawsuit was filed and is pending in the state court litigation of *Summit Staffing Solutions, Inc. v. Love Bites by Carnie, Inc. and Tiffany Miller*, filed in the Circuit Court of the state of Oregon for Washington County, Case No. 20CV13139.

JURISDICTION AND VENUE

7. The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334(b) and 11 U.S.C. § 105(a). This action is a core proceeding pursuant to 28 U.S.C. §§ 157(b)(2)(A) and (O). This proceeding is also within the Court's non-core jurisdiction, pursuant to 28 U.S.C. § 157(c)(1) as a matter otherwise related to the bankruptcy case.

8. Venue is proper under 28 U.S.C. § 1409.

9. This proceeding is brought pursuant to FRBP 7001(7) and 7065.

10. Debtor is an Oregon corporation.

11. On October 8, 2021, Debtor filed its voluntary petition for relief under Chapter 11 of Title 11 of the United States Code (the "Petition Date").

12. This is an adversary proceeding pursuant to 11 U.S.C. § 105(a) to request the Court issue a preliminary injunction to enjoin and prohibit Defendants from commencing or continuing their efforts to collect from the Affiliates.

BACKGROUND OF THE DEBTOR AND ESTATE ASSETS

13. Carnie Wilson is the President of Love Bites by Carnie, Inc., and directs product development and design along with unique branding and marketing opportunities. Carnie Wilson, in addition to being a well-known recording artist and media personality, is deeply involved with the operation and reorganization of the Debtor.

14. Tiffany Miller is the Chief Executive Officer ("CEO") of Love Bites by Carnie, Inc., and oversees all operations along with Carnie Wilson. As CEO, Tiffany Miller, along with Carnie Wilson, is responsible for directing the company's operations, the company's reorganization, along with other duties too numerous to describe. Tiffany Miller is engaged full-time with the operation and reorganization of the Debtor.

15. Debtor operates a gourmet dessert business headquartered in Washington County, Oregon.

16. EBF's claim against Debtor totaled approximately \$49,526.30 on the Petition Date. Chefs' Warehouse's claim against Debtor totaled approximately \$50,000.00 on the Petition Date. Mintaka's claim against Debtor totaled approximately \$48,269.82 on the Petition Date. Integrity's claim against Affiliate Tiffany Miller totaled approximately \$100,000.00 on the Petition Date. Summit's claim against Debtor totaled approximately \$97,354.22 on the Petition Date.

17. On October 2, 2019, Affiliates executed a Payment Rights Purchase and Sale Agreement (the "EBF Agreement") with EBF as individuals guaranteeing Debtor's performance under the EBF Agreement. The Debtor therefore requests injunctive relief to prohibit EBF from initiating or continuing litigation or collection actions against the Affiliates.

18. On May 13, 2019, Affiliate Tiffany Miller executed a Customer Credit Application (the "Chefs' Warehouse Application") with Chefs' Warehouse as an individual guaranteeing Debtor's performance under the Chefs' Warehouse Application. The Debtor, therefore, requests injunctive relief to prohibit Chefs' Warehouse from initiating or continuing litigation or collection actions against Affiliate Tiffany Miller.

19. On or about December 15, 2017, Affiliates executed an Equipment Finance Agreement (the "Mintaka Agreement") with Mintaka's predecessor in interest, BSB Leasing, Inc., as individuals guaranteeing Debtor's performance under the Mintaka Agreement. The Debtor therefore requests injunctive relief to prohibit Mintaka from initiating or continuing litigation or collection actions against Affiliates.

20. On September 20, 2019, Affiliate Tiffany Miller executed a Staffing Agreement (the "Summit Agreement") with Summit as an individual guaranteeing Debtor's performance under the Summit Agreement. The Debtor therefore requests injunctive relief to prohibit Summit from initiating or continuing litigation or collection actions against Affiliate Tiffany Miller.

21. On November 14, 2019, Affiliate Tiffany Miller executed a Personal Guarantee (the "Integrity Guarantee") guaranteeing Debtor's performance under the Temporary Labor Contract (the "Integrity Contract") between Integrity and Debtor. The Debtor therefore request injunctive relief to prohibit Integrity from initiating or continuing litigation or collection actions against Affiliate Tiffany Miller.

DEBTOR'S PLAN OF REORGANIZATION

22. The anticipated plan of reorganization will provide for the Debtor to continue its business operations.

23. The Affiliates are integral to the Debtor's day-to-day business operations.

24. The Affiliates participation and involvement in the daily operation of the Debtor are essential for the success of the reorganization. If the Affiliates are disrupted from their duties in the reorganization of the Debtor by the litigation (and its attendant discovery preparation, depositions, numerous meetings with counsel, requisite mediation and pre-trial hearings, et al.), the prospect of a successful reorganization will be in doubt.

25. In addition, the Debtor's operations and plan of reorganization will require contributions of money or money's worth from the Affiliates. Their contributions have and will have significant value to the Debtor's bankruptcy estate.

26. The Affiliates' complete and total cooperation in contributing the assets for the payments of claims of all creditors in this case is essential to the Debtor's ongoing efforts to propose a confirmable plan that is in the best interest of all creditors and the estate. Requiring the Affiliates to defend claims asserted against them during the bankruptcy case would both interfere with and irreparably impair the Debtor's ability to accomplish those goals.

27. If the Affiliates are forced to spend time and resources defending lawsuits or collection actions brought against them by the Defendants in order to protect themselves and their assets, those assets may necessarily be depleted by defense costs and the Affiliates' ability to contribute those assets to a plan and this case could be severely limited.

28. The contributions of the Affiliates to the Debtor are essential to ensure a plan that provides for the maximum distribution to creditors. Without those assets, it is very likely the estate will have insufficient funding to propose a confirmable plan.

29. The Debtor anticipates that its chapter 11 plan will be filed on or before January 6, 2022.

**CLAIM FOR RELIEF
(Preliminary Injunction Pursuant to § 105(a))**

30. Debtor hereby repeats and realleges the allegations set forth in the preceding paragraphs as though fully set forth herein and incorporates the same herein by this reference.

31. A bankruptcy court has the power to issue any order, process, or judgment necessary to carry out the provisions of the Bankruptcy Code.

32. Pursuant to § 105(a), the bankruptcy court may issue an order staying actions against non-debtor entities.

33. Defendants' potential filing or continuation of litigation or of any collection action against the Affiliates will cause irreparable harm to the Debtor.

34. The interests of the Debtor and the Affiliates are inextricably intertwined, and any collection action or litigation action against the Affiliates will distract and impair the Affiliates from participating in the reorganization process to the detriment of the estate and all of the creditors.

35. Unless enjoined, the Defendants' conduct will irreparably harm the Debtor by impairing, depleting, or eliminating a crucial source of funding to pay claims.

36. Debtor anticipates that its plan of reorganization, including the contributions of the Affiliates, will allow it to repay a significant portion of all outstanding debts, including distributions to the Defendants' allowed claims and the claims of unsecured creditors.

37. The Debtor has a reasonable likelihood of a successful reorganization.

38. Plaintiff and the Affiliates are entitled to preliminary injunctive relief enjoining the Defendants from taking any action to pursue their claims or collection actions against the Affiliates.

39. The injunctive relief requested herein will not prejudice or harm the Defendants.

40. Issuance of injunctive relief will serve the public interest in that it will protect the integrity of the chapter 11 process and the goal of equal distribution to all similarly situated creditors.

41. Debtor lacks an adequate remedy at law. If the Defendants are allowed to initiate or continue litigation or collection actions against the Affiliates, it will result in the loss to the estate of the Affiliates' assets, the disruption or possible failure of the reorganization

effort, and the Debtor will not have the ability to utilize those same assets in a plan to provide an equal distribution to all similarly situated creditors.

WHEREFORE, the Debtor respectfully requests relief as follows:

1. Preliminary injunctive relief enjoining and prohibiting Defendants from engaging in litigation or collection efforts against the Affiliates pending the earlier of (a) one hundred twenty (120) days from the entry of such order or judgment allowing injunctive relief or (b) confirmation of the reorganization plan in this case, dismissal of the case, or conversion of the case to a case under Chapter 7 of the Bankruptcy Code;
2. An Order staying Defendants from prosecuting the state court actions described above against Affiliates Carnie Wilson and Tiffany Miller; and
3. For such other and further relief as the Court deems just and proper.

Respectfully submitted;

DATED: November 19, 2021

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